

2011 CalPERS Health Plan Rate and Benefit Changes Seminar
Southern California Sessions

Date:

Segment: Health Plan Rate and Benefit Changes Seminar

Host: Pamela Goldberg

Guests: Heidi Clark, Blue Shield

Video Transcript

Pamela Goldberg:

Now I'd like to invite the representative from Blue Shield of California, Heidi Clark.

Heidi Clark:

Good afternoon. So today Blue Shield really wants to take this opportunity to provide you with some clarification regarding our two main plans we offer to basic members. So first and foremost, Blue Shield offers our Access Plus HMO, and this HMO is probably the plan that most of us are more familiar with. We really consider it our flagship HMO. And then the second product that we offer to basic members is our Net Value HMO which is our value based HMO product. And it's really kind of a hybrid of our Access Plus HMO.

The next few slides I'm going to take you through I'm going to provide you with a little bit more detail on both of these plans. So, first off our Access Plus plan. So our Access Plus plan again is really our flagship HMO. It's one that we've offered to CalPERS members for many years and it's a plan that really offers members the freedom to choose because of the large network that's associated with it. And predictable cost of healthcare in terms of you know what you're going to pay exactly when you go to the doctor at the time of service. So in the Access Plus plan, we have over 11,000 primary care physicians across the state. Also associated with the plan, we have over 300 routine hospitals across the state including hospitals such as Stanford University. And then we have over 21,000 specialists associated with Access Plus. Included in the Access Plus plan and also the Net Value plan which I'm going to get into detail further on, we offer a self referral benefit, which allows members to self refer to a specialist that's within their primary care physician's medical group. And so, as I mentioned before, we have over 21,000 specialists, 300 hospitals across the state. Again, that goes back to the point where I talked about how members really have that freedom to move about the plan.

So on the next slide, I'm going to provide you some insight in terms of the benefits associated with the Access Plus plan. But I also want to make note that these benefits that I'm calling out on the Access Plus plan are available on our Net Value plan as well.

So just routine physician services. If a member's going in for any kind of preventative services, and preventative is this large umbrella of service. And that includes your routine annual well woman exam, physical exams, well baby care.

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But it also includes services such as a routine eye exam and allergy testing and treatment. Member's going to pay zero dollar every time they go into to see that, to see their physician for these services. For office visits it's a \$15 copay and that would include any kind of routine care that you need to have with your primary care physician, or any referrals that your doctor might make to a specialist. And as I mentioned before, we offer this unique benefit that's truly unique to the Blue Shield plans and that's our self referral benefit. Our Access Plus self referral feature, which is a \$30 office visit copay, and again this self referral benefit is available on both Access Plus and also Net Value.

Going into diagnostic testing and lab and x-ray, members have no share of cost for those services. So again if your doctor needs to send you off for lab work, you know what you're going to pay, 100% coverage. Hospitalization for both inpatient and outpatient members are also covered at 100%.

Going into the next slide we provide you with a little bit more insight into both the Access Plus and the Net Value benefit package, looking at the prescription drugs specifically. Now Blue Shield of California maintains a drug formulary listing and on those medications are preferred medications that we recommend for our members. But CalPERS members have a very rich plan design in that they have coverage for non formulary medications as well. So just looking here at the slides, for short term acute illness, so if you let's say have an infection and your doctor needs to put you on a short term antibiotic, when you go to the retail pharmacy, you're gonna simply pay a \$5 office visit copayment for a generic medication, \$15 for brand, and as I mentioned, if your doctor needs to put you on a non formulary medication, you can have that on the Blue Shield plans and it's a \$45 copay. Now if you're taking a medication that we consider to be maintenance, we really want to encourage our members to go through our mail order program. Now, as members are picking up maintenance medications, medications that they need to take every single month, at the retail pharmacy, after three consecutive months of getting that drug, the copayment will go up to what we would normally charge for members who get their medications at mail. So there's a benefit for members to go through the mail order program. Essentially what they get through the mail order program is they're going to get a 90 day supply of that maintenance medication. It's very convenient for members to get that. And when you look at the copay structure for the benefits, members are going to pay what they would pay for two months of that same medication at the retail pharmacy. So when you look at it from that perspective, it's really like getting a month worth of medication free.

So going into the next slide, we're going to talk a little bit more in detail about our Net Value plan. As I mentioned before, the Net Value plan is really our value based HMO that we offer to CalPERS members. And when we created this plan several years back, we recognized the need and partnership with CalPERS that CalPERS members wanted and needed a value based HMO plan that really allows them the freedom to select a doctor within our network. So to build this,

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we took a look at our full Access Plus network and we identified certain medical groups that met certain standards and invited them to join a hybrid Net Value network. And so because of these efficiencies and these metrics that these providers needed to meet, we were able to offer down that savings that Blue Shield saved in our experience with these doctors, to CalPERS members. Now basically just stepping back, these members have access to the same benefits that our Access Plus members have. They would need to utilize physicians with our hybrid Net Value network. And that is really the difference. We're really proud to say that this plan has expanded through the years. And this next year in 2011 is a very exciting year for those people up in Northern California because we've been able to expand the plan into three new counties, Santa Cruz, Santa Clara and the remaining balance of San Mateo County. And I think this is proof that Blue Shield is really changing the way our providers do business with us, and our relationship. They're wanting to join the Net Value network. They're seeing that CalPERS members want this type of plan and we're continuing to be able to grow it and we hope to grow it in the future.

So the Blue Shield 65 Plus plan is on the next slide. Blue Shield 65 Plus is a group Medicare Advantage prescription drug plan. And it was recently offered uniquely new to the CalPERS market as of January 1st, 2010. And with this particular plan, it really offers members great convenience in that they no longer have to have that kind of relationship with Medicare to where charges are going to need to be filed with Medicare first, and then to Blue Shield as secondary. Blue Shield acts as the main health plan for those members that are enrolled in group Medicare Advantage. So they only need to work through Blue Shield to access care and services. So this plan is available in nine counties in Southern California. We have a great deal of information on the Blue Shield website that provides a little bit more detail on this plan.

So going into the next slide, again a few more key highlights on our group Medicare Advantage Plan, Blue Shield 65 Plus. In order for a member to be enrolled in this plan, they need to have both Part A and Part B Medicare. And again this plan is a prescription drug plan. So the members that are enrolled in this plan do have Medicare Part D and because this is a group customized plan, CalPERS built it to where the members that are enrolled in this plan never experience what we commonly term as the donut hole. They have the full prescription drug coverage that they enjoyed as an active member on the CalPERS plans.

So the next slides will provide you some information in terms of the benefit changes that are impacting the Blue Shield plans next year. So the only main medical benefit change that's happening with the Blue Shield plans is the introduction of a \$250 copay for certain outpatient procedures that are done in an outpatient setting when they could have been provided in an ambulatory surgery center. So this particular change we really are going to be communicating quite a bit to our members, and also to our provider network as well. So this \$250 copay

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will only apply in these circumstances. So, the guiding principle is that outpatient procedures are covered at 100% and we're really going to ensure that our provider network, our specialists, our primary care physicians understand that we want CalPERS members to have these services in this type of a setting. So the next change, and that change, the ambulatory surgery copay only applies to members that are basic members. It does not apply to any of our Medicare members.

The next benefit change is the exclusion of non formulary brand prescription drugs from our \$1,000 out-of-pocket maximum for mail order medications. So currently Blue Shield maintains a log so to speak of members when they're utilizing our mail order program. We're keeping track of how much money members have to spend out-of-pocket. And if for some reason a member spends more than \$1,000 out-of-pocket on their mail order medications, we will pay for those medications at 100% for the remainder of the year. Going into 2011, we will only include what members spend for generic and formulary, or excuse me, brand formulary medications. We will not allow non-formulary to be included in that count.

The next slide provides you with information on two additional benefit changes. And I'm sorry, going back to that out-of-pocket maximum, that impacts all Blue Shield plans with the exception of our group Medicare Advantage plan, 65 Plus.

Currently CalPERS members if they have a medical need as to why they cannot take a formulary medication, their physician can contact Blue Shield to request a decreased non-formulary copayment. Currently that copayment sits at \$30. Going into 2010, at retail it's going to increase to \$40. That particular change only impacts our members that are enrolled in our Access Plus and Net Value both basic and Medicare plans. It does not impact 65 Plus members.

And lastly, the final change is Blue Shield has introduced a new copayment for lifestyle medications to which Blue Shield will pay 50% of the billed charges and the member would be responsible for the remaining 50. And that impacts all Blue Shield plans.

So getting into the final slides, we really wanted to highlight for all of you some of the value added benefits that we offer to Blue Shield members. And there's three that I really want to take a moment to talk about. That first one is our Nurse Help 24/7. I have actually used it myself as a Blue Shield member, and what it is is a nurse line that members can call 24 hours a day/7 days a week. I had to actually call on Christmas Day myself. And you can speak to a registered nurse. And you really get that guidance you need to understand if you need to go to the emergency room, or if you need to go to the urgent care, or potentially how to provide self care at home. We also offer a healthy lifestyle rewards program. And that is an online wellness program to where we really help our members to take charge of their health. And in doing so, we actually provide them with

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financial incentives to take part. So just for going out online and taking the online wellness assessment, we send our members a \$50 Visa gift card just for participating. And if they choose to continue on throughout the year, they can earn up to \$200 a year and it's available to anybody on our Access Plus or Net Value plan over the age of 18 including dependents.

Lastly, the Blue Shield plan really travels with its members. We offer emergency and urgent coverage across the world, so if you're traveling out of the country you have that available to you. But in addition to that, in many states, we're able to offer members who have dependent students who are temporarily living out of state, a guest membership in that state to where they can access their plan as they would in the state of California, including routine care. And if members want additional information about this, I would encourage them to contact Blue Shield's member services and they can provide them with that detail.

So going into the next slide, again it just highlights a few of the key value added services that Blue Shield offers. Moving on to one of the final slides, Blue Shield offers a rich discount program to its members. It's very similar to the Triple A discount to where you can show your Triple A card when you go into a provider and they'll give you a discount. Well members can do that for acupuncture, chiropractic, massage therapy care. They can actually get up to 25% off the bill. In addition to that, we offer a number of other online services and discounts including Weight Watchers, 24 Hour Fitness. And we have a website that we're associated with and that's drugstore.com to where our members can get discounts on different alternative type health care medication as well as just routine care.

Blue Shield also offers a number of discounts to, for vision care. As I mentioned before we offer routine eye refraction benefit where members can get a free of charge service. But they can also get discounts on frames and lenses. They can get up to 20% off.

Going on to the next slide, just highlight some of the key programs and services that we have available to help support you as an HBO. And I would encourage you to look through this slide and if you want additional information you can visit the Blue Shield website. We have a specific HBO portal and that's www.blueshieldca.com/calpersonhbo.

So I want to advance just two slides and move straight to how to find a doctor. The Blue Shield website we've really taken extra steps to try to make this a more navigatable website. I just want to call out for you if a member has an interest in finding out if a doctor is part of our network, they can actually contact Blue Shield's member services and we can email them a customized directory or send it to them in the mail or even fax it to them. But our website again is the greatest, most up to date resource for them to get that information. And as I mentioned before it's blueshieldca.com/CalPERS. The most important step when you're out

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finding a doctor is that when you select the plan type you're choosing CalPERS.
And if you advance two slides you can see the online find a provider feature.

Thank you so much for your time.